

## Six Rules of Business of David Sokol, Warren Buffet's go to man.

Warren Buffet is known as the Oracle of Omaha. He is said to be the most successful investor of our times and has created wealth not just by smart buying and selling of investments, but by turning around poorly performing companies in order to create wealth.

Omaha is a city in Nebraska, which is a state located near the centre of the USA and with many similarities to South Australia. It is the railway hub of the USA just as SA contains the junctions of the East-West and North-South railways in Australia. Nebraska has a population of approximately 1.8m people, similar to SA's 1.65m. It has cool winters and hot summers, its main industries include defence, transport and distribution, manufacturing and information technology which again is similar to SA. Nebraska is about one third the size of Adelaide with about 1.2m people. Adelaide does not have an industry leader with the success record of Warren Buffet living here yet, but there is no reason why that should not change, and we can surely learn from him and his team.

David Sokol was one of the key members of Buffet's management team. Although he left under a governance cloud, he is reputed to have turned around poor performing companies and improved the performance of others.

His book "Pleased But Not Satisfied" contains six rules which he drives very hard in business.

You might find Sokol's six rules valuable to apply in your business. Even simply checking now how your business ranks on each of the rules might help planning for the future. Perhaps he should have done this more regularly particularly focusing on the second dot point.

The six rules are:

- **Operational excellence**
- **Integrity**
- **Customer Commitment**
- **Employee Commitment**
- **Financial Strength**
- **Environmental Respect**

Further information about David Sokol and his views can be obtained through the following links or through other links that could be found through search engines.

[http://money.cnn.com/2010/07/29/news/companies/buffets\\_mr\\_fixit\\_full.fortune/index.htm](http://money.cnn.com/2010/07/29/news/companies/buffets_mr_fixit_full.fortune/index.htm)

<http://www.rationalwalk.com/?p=3883>